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Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission

Report of the Secretary-General

Addendum

Summary

The present report contains the financial performance report of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) for the period from 1 January to 30 June 1996. The total resources provided for the period amount to $30 million gross ($28,693,000 net), while the related expenditures amount to $25,396,800 gross ($24,373,000 net). This resulted in an unencumbered balance of $4,603,200 gross ($4,320,000 net).

While savings were realized under all major budget line items, the reduction of the number of military observers and the postponement or cancellation of projects under premises/accommodation and infrastructure repairs, in particular, contributed to the savings.

The action to be taken by the General Assembly, as contained in paragraph 10 of the present report, is a decision to credit Member States their respective share in the unencumbered balance.

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I. Introduction

1. On 9 October 1996, the Security Council reviewed the question of the termination or continuation of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) as well as its modalities of operation in accordance with resolution 689 (1991) of 9 April 1991. In a letter dated 9 October 1996 (S/1996/840), the President of the Security Council informed the Secretary-General that the members of the Council concurred with the recommendation of the Secretary-General that UNIKOM be maintained and that the Council had decided to review the question once again by 4 April 1997.

2. For the maintenance of UNIKOM for the period from 1 July 1995 to 30 June 1996, the General Assembly, in its resolution 49/245 of 12 July 1995, approved the amount of $60 million gross ($57,386,000 net), of which two-thirds share, equivalent to $38,257,300 net, would be funded from the voluntary contributions from the Government of Kuwait. By the same resolution, the Assembly authorized the Secretary-General to enter into commitments in the amount of $1,811,900 gross ($1,594,100 net) per month, equivalent to one third of the cost of UNIKOM, to be assessed on Member States, subject to the review by the Security Council with regard to the question of termination or continuation of UNIKOM. The amount of $21,742,800 gross ($19,129,200 net) was subsequently appropriated by the General Assembly in its resolution 50/234 of 7 June 1996.

3. The cost estimates for the period from 1 July 1995 to 30 June 1996, were based on a force strength of 255 military observers, 910 contingent personnel and up to 259 internationally and locally recruited civilian staff.

4. In paragraph 12 of his report of 1 April 1996 to the Security Council (S/1996/225), the Secretary-General indicated a modest streamlining of UNIKOM, reducing through April 1997 the number of military observers by about 50. The phased reduction in the number of military observers, from a total of 244 military observers in April 1996 to 221 in June 1996, is shown in annex II, table 1 and in annex III.

II. Financial performance for the period from 1 January to 30 June 1996

5. Annex I, column 1, sets out by budget line item the prorated cost estimates for the six-month period from 1 January to 30 June 1996 as contained in annex III to document A/49/863 of 20 March 1996. The apportionment of the resources approved by the General Assembly in its resolution 49/245 is shown in column 2, the expenditures are shown in column 3 and the savings or overruns are set out in column 4. Supplementary information in respect of the expenditures is contained in annex II.

6. The planned and actual deployment of civilian and military personnel for the reporting period is contained in annex III. Annex IV provides the authorized staffing, incumbency and vacancy rates for military and civilian personnel for the reporting period.

7. As shown in annex I, column 2, the total prorated resources made available to UNIKOM for the period from 1 January to 30 June 1996 amounted to $30,000,000 gross ($28,693,000 net). Expenditures for the period (column 3) were $25,396,800 gross ($24,373,000 net).

8. Expenditures incurred during the period from 1 January to 30 June 1996 were lower than estimated, resulting in savings under major budget line items as follows: military personnel costs ($1,735,000), civilian personnel costs ($948,600), premises/ accommodation ($589,700), infrastructure repairs ($50,200), transport operations ($70,700), air operations ($463,600), communications ($98,300), other equipment ($123,700), supplies and services (security services) ($181,700), training programmes ($18,500), mine-clearing programmes ($34,200), air and surface freight ($5,800) and staff assessment ($283,200). Expenditures include the UNIKOM share in the amount of $100,000 for the ad hoc financing of the United Nations Logistics Base at Brindisi for the period under the headings of premises/accommodation ($43,800), transport operations ($7,200), communications ($6,000) and supplies and services ($43,000).

9. The above savings were mainly due to a reduction in mission subsistence allowance rates effective 1 March 1996, as well as the phased reduction in the number of military observers from 224 at the beginning of April 1996 to 221 at the end of June 1996. Moreover, in the context of the streamlining exercise of UNIKOM, construction projects were either postponed or cancelled.

III. Actions to be taken by the General Assembly at its fifty-first session

10. The action to be taken by the General Assembly at its fifty-first session in connection with the financing of UNIKOM is a decision to credit Member States their respective share in the unencumbered balance of $4,603,200 gross ($4,320,000 net) for the period from 1 January to 30 June 1996.

Annex I
Financial performance report for the period from 1 January to 30 June 1996

(Thousands of United States dollars)

		(1) Original cost estimates (prorated)	(2) Apportionment	(3) Total expenditures	(4) Unliquidated obligations	(5) Savings/ (overruns) (2-3)
1.	**Military personnel costs**					
	(a) Military observers					
	Mission subsistence allowance	5 434.4	5 434.4	4 336.4	—	1 098.0
	Travel costs	488.0	488.0	431.8	270.1	56.2
	Clothing and equipment allowance	25.5	25.5	22.2	—	3.3
	Subtotal	**5 947.9**	**5 947.9**	**4 790.4**	**270.1**	**1 157.5**
	(b) Military contingents					
	Standard troop cost reimbursement	5 644.6	5 644.6	5 571.1	5 571.1	73.5
	Welfare	66.9	66.9	121.1	—	(54.2)
	Rations	1 478.7	1 478.7	1 358.2	603.7	120.5
	Daily allowance	214.2	214.2	212.7	40.9	1.5
	Mission subsistence allowance	—	—	—	—	—
	Emplacement, rotation and repatriation of troops	637.0	637.0	207.3	174.8	429.7
	Clothing and equipment allowance	384.1	384.1	377.6	377.5	6.5
	Subtotal	**8 425.5**	**8 425.5**	**7 848.0**	**6 768.0**	**577.5**
	(c) Other costs pertaining to military personnel					
	Contingent-owned equipment	839.0	839.0	839.0	—	—
	Death and disability compensation	160.0	160.0	160.0	—	—
	Subtotal	**999.0**	**999.0**	**999.0**	**—**	**—**
	Total, line 1	**15 372.4**	**15 372.4**	**13 637.4**	**7 038.1**	**1 735.0**
2.	**Civilian personnel costs**					
	(a) Civilian police	—	—	—	—	—
	(b) International and local staff					
	International staff salaries	1 867.7	1 867.7	1 763.2	—	104.5
	Local staff salaries	1 993.0	1 993.0	1 812.6	—	180.4
	Consultants	—	—	—	—	—
	Overtime	—	—	3.9	—	(3.9)
	General temporary assistance	—	—	2.5	—	(2.5)
	Common staff costs	2 038.5	2 038.5	1 753.6	—	284.9
	Mission subsistence allowance	1 500.6	1 500.6	1 125.2	—	375.4
	Travel to and from the mission area	—	—	—	—	—
	Other travel costs	17.5	17.5	7.7	—	9.8
	Subtotal	**7 417.3**	**7 417.3**	**6 468.7**	**—**	**948.6**
	(c) International contractual personnel	—	—	—	—	—
	(d) United Nations Volunteers	—	—	—	—	—

	(1) Original cost estimates (prorated)	(2) Apportionment	(3) Total expenditures	(4) Unliquidated obligations	(5) Savings/ (overruns) (2-3)
(e) Government-provided personnel	—	—	—	—	—
(f) Civilian electoral observers	—	—	—	—	—
Total, line 2	**7 417.3**	**7 417.3**	**6 468.7**	**—**	**948.6**
3. Premises/accommodation					
Rental of premises	—	—	—	—	—
Alteration and renovation of premises	100.0	72.1	22.4	15.0	49.7
Maintenance supplies	109.8	84.9	74.8	45.3	10.1
Maintenance services	337.0	260.9	139.4	80.4	121.5
Utilities	120.0	92.9	86.2	54.8	6.7
Construction/prefabricated buildings	600.0	413.9	12.2	12.2	401.7
Total, line 3	**1 266.8**	**924.7**	**335.0**	**207.7**	**589.7**
4. Infrastructure repairs					
Upgrading of airstrips	36.5	24.7	—	—	24.7
Upgrading of roads	50.0	42.3	16.8	—	25.5
Repair of bridges	—	—	—	—	—
Total, line 4	**86.5**	**67.0**	**16.8**	**—**	**50.2**
5. Transport operations					
Purchase of vehicles	363.4	95.4	—	—	95.4
Rental of vehicles	—	—	—	—	— —
Workshop equipment	22.0	16.9	19.2	0.9	(2.3)
Spare parts, repairs and maintenance	607.8	615.9	596.7	—	19.2
Petrol, oil and lubricants	504.3	245.7	276.3	—	(30.6)
Vehicle insurance	128.1	93.5	104.5	26.2	(11.0)
Total, line 5	**1 625.6**	**1 067.4**	**996.7**	**27.1**	**70.7**
6. Air operations					
(a) Helicopter operations					
Hire/charter costs	1 476.0	1 142.7	821.3	497.8	321.4
Aviation fuel and lubricants	136.6	83.0	80.9	27.8	2.1
Positioning/depositioning costs	—	—	—	—	—
Resupply flights	—	—	—	—	—
Painting/preparation	—	—	—	—	—
Liability and war-risk insurance	48.0	34.9	—	—	34.9
Subtotal	**1 660.6**	**1 260.6**	**902.2**	**525.6**	**358.4**
(b) Fixed-wing aircraft					
Hire/charter costs	330.0	255.5	204.5	—	51.0
Aviation fuel and lubricants	227.7	133.4	70.4	33.3	63.0
Position/depositioning costs	—	—	—	—	—
Painting/preparation	—	—	—	—	—
Resupply flights	—	—	—	—	—
Liability and war-risk insurance	24.0	17.9	5.9	—	12.0
Subtotal	**581.7**	**406.8**	**280.8**	**33.3**	**126.0**
(c) Aircrew subsistence allowance	37.1	20.3	15.8	—	4.5

	(1) Original cost estimates (prorated)	(2) Apportionment	(3) Total expenditures	(4) Unliquidated obligations	(5) Savings/ (overruns) (2-3)
(d) *Other air operations*					
Air traffic control services and equipment	—	—	—	—	—
Landing fees and ground handling	22.3	14.1	39.4	—	(25.3)
Fuel storage and containers	—	—	—	—	—
Subtotal	**22.3**	**14.1**	**39.4**	**—**	**(25.3)**
Total, line 6	**2 301.7**	**1 701.8**	**1 238.2**	**558.9**	**463.6**
7. Naval operations	**—**	**—**	**—**	**—**	**—**
8. Communications					
(a) *Complementary communications*					
Communications equipment	163.0	113.6	66.6	29.7	47.0
Spare parts and supplies	102.9	79.7	63.1	—	16.6
Workshop and test equipment	37.0	28.5	4.0	1.9	24.5
Commercial communications	131.3	105.4	95.2	20.8	10.2
Subtotal	**434.2**	**327.2**	**228.9**	**52.4**	**98.3**
(b) *Main trunking contract*	—	—	—	—	—
Total, line 8	**434.2**	**327.2**	**228.9**	**52.4**	**98.3**
9. Other equipment					
Office furniture	27.6	21.7	3.4	—	18.3
Office equipment	16.5	12.8	0.8	—	12.0
Data-processing equipment	31.4	24.3	42.6	4.8	(18.3)
Generators	—	—	—	—	—
Observation equipment	31.4	24.4	2.8	2.8	21.6
Petrol tank plus metering equipment	30.0	23.3	—	—	23.3
Water and septic tanks	—	—	—	—	—
Medical and dental equipment	12.0	9.1	13.1	—	(4.0)
Accommodation equipment	41.5	32.2	20.8	—	11.4
Refrigeration equipment	—	—	—	—	—
Miscellaneous equipment	21.3	16.4	29.8	23.3	(13.4)
Field defence equipment	—	—	—	—	—
Spare parts, repairs and maintenance	163.3	126.3	53.5	19.9	72.8
Water purification equipment	—	—	—	—	—
Total, line 9	**375.0**	**290.5**	**166.8**	**50.8**	**123.7**
10. Supplies and services					
(a) *Miscellaneous services*					
Audit services	19.5	14.1	14.1	14.1	—
Contractual services	463.7	347.9	324.9	217.4	23.0
Data-processing services	—	—	—	—	—
Security services	—	—	43.0	—	(43.0)
Medical treatment and services	9.4	35.0	34.0	6.0	1.0
Claims and adjustments	54.0	41.7	—	—	41.7

		(1) Original cost estimates (prorated)	(2) Apportionment	(3) Total expenditures	(4) Unliquidated obligations	(5) Savings/ (overruns) (2-3)
	Official hospitality	11.0	8.7	1.4	—	7.3
	Miscellaneous other services	54.0	41.7	10.3	3.7	31.4
	Subtotal	**611.6**	**489.1**	**427.7**	**241.2**	**61.4**
	(b) Miscellaneous supplies					
	Stationery and office supplies	49.0	41.7	48.0	22.1	(6.3)
	Medical supplies	20.1	15.8	16.5	12.6	(0.7)
	Sanitation and cleaning materials	33.7	26.0	20.0	—	6.0
	Subscriptions	4.2	3.3	10.4	10.3	(7.1)
	Electrical supplies	73.8	57.2	23.3	17.1	33.9
	Ballistic protective blankets for vehicles	—	—	—	—	—
	Uniform items, flags and decals	42.7	32.9	11.1	9.9	21.8
	Field defence stores	50.0	38.6	—	—	38.6
	Operational maps	3.6	2.9	2.9	2.9	—
	Quartermaster and general stores	123.0	95.2	61.1	17.8	34.1
	Subtotal	**400.1**	**313.6**	**193.3**	**92.7**	**120.3**
	Total, line 10	**1 011.7**	**802.7**	**621.0**	**333.9**	**181.7**
11.	**Election-related supplies and services**	—	—	—	—	—
12.	**Public information programmes**	—	—	—	—	—
13.	**Training programmes**					
	Consultants	—	—	—	—	—
	Consultants' travel	—	—	—	—	—
	Training equipment	—	—	—	—	—
	Training materials	—	—	—	—	—
	Miscellaneous services	24.0	18.7	0.2	0.2	18.5
	Total, line 13	**24.0**	**18.7**	**0.2**	**0.2**	**18.5**
14.	**Mine-clearing programmes**					
	(a) Acquisition of equipment	—	—	—	—	—
	(b) Supplies, services and operating costs					
	Wages and food supplement	—	—	—	—	—
	Miscellaneous services	—	—	—	—	—
	Miscellaneous supplies	44.3	34.2	—	—	34.2
	Subtotal	**44.3**	**34.2**	—	—	**34.2**
	Total, line 14	**44.3**	**34.2**	—	—	**34.2**
15.	**Assistance for disarmament and demobilization**	—	—	—	—	—
16.	**Air and surface freight**					
	Transport of contingent-owned equipment	—	—	—	—	—
	Military airlifts	—	—	—	—	—
	Commercial freight and cartage	50.0	38.6	32.8	—	5.8
	Total, line 16	**50.0**	**38.6**	**32.8**	—	**5.8**
17.	**United Nations Logistics Base, Brindisi**	—	—	—	—	—

	(1) Original cost estimates (prorated)	(2) Apportionment	(3) Total expenditures	(4) Unliquidated obligations	(5) Savings/ (overruns) (2-3)
18. Support account for peacekeeping operations	**630.5**	**630.5**	**630.5**	**—**	**—**
19. Staff assessment	**1 307.0**	**1 307.0**	**1 023.8**	**—**	**283.2**
Total, lines 1-19	**31 947.0**	**30 000.0**	**25 396.8**	**8 269.1**	**4 603.2**
20. Income from staff assessment	**(1 307.0)**	**(1 307.0)**	**(1 023.8)**	**—**	**(283.2)**
21. Voluntary contributions in kind (budgeted)	**—**	**—**	**—**	**—**	**—**
Total, lines 20-21	**(1 307.0)**	**(1 307.0)**	**(1 023.8)**	**—**	**(283.2)**
Gross requirements	31 947.0	30 000.0	25 396.8	8 269.1	4 603.2
Net requirements	30 640.0	28 693.0	24 373.0	8 269.1	4 320.0
22. Voluntary contributions in kind (non-budgeted)	**—**	**—**	**—**	**—**	**—**
Total resources	**30 640.0**	**28 693.0**	**24 373.0**	**8 269.1**	**4 320.0**

Annex II
Supplementary information on the financial performance report for the period from 1 January to 30 June 1996

	Savings/(overruns) (United States dollars)
1. Military personnel costs	
(a) Military observers	1 157 500

1. *Mission subsistence allowance*. Savings of $1,098,000 were realized owing to the reduction in applicable mission subsistence allowance rates with effect from 1 March 1996 in the demilitarized zone (from $115 per day to $90 per day) and in Kuwait (from $115 per day to $75 per day). Savings were also due in part to the phased reduction in the number of military observers as shown in table 1 below.

Table 1 **Phasing out of military observers**

Date	Number of military observers
31 January 1996	244
28 February	244
31 March	244
30 April	238
31 May	233
30 June	221

2. *Travel costs*. While provision was made for the round-trip travel of 122 military observers at $4,000 per round-trip, the phased reduction of 23 military observers during the reporting period resulted in savings of $56,200.

3. *Clothing and equipment allowance*. Savings of $3,300 were realized for the reason stated in paragraph 1 above.

(b) Military contingents	577 500

4. Savings totalling $631,700 were realized under standard troop costs reimbursement ($73,500), rations ($120,500), daily allowance ($1,500), emplacement, rotation and repatriation of troops ($429,700) and clothing and equipment allowance ($6,500), which were offset in part by additional requirements of $54,200 under welfare.

5. *Standard troop cost reimbursement and clothing and equipment allowance*. Savings under these budget line items ($73,500 and $6,500, respectively) were due to the fact that requirements were estimated at an average of 910 troops, while the actual number on board averaged 901 during the period.

6. *Welfare*. Additional expenditures of $54,200 were incurred under welfare owing to the cost of postage, for which no budgetary provision had been made.

7. *Rations*. Savings of $120,500 under rations were due to lower prices for meals under the new contract effective from 1 March 1996 and the lower number of contingent personnel on board, as indicated in

paragraph 5 above. The daily cost of meal rations has been reduced to $5.95 per day per contingent personnel, as compared with the budgeted cost of $7.50 per day.

8. *Emplacement, rotation and repatriation of troops*. The amount apportioned for the reporting period provided for the round-trip rotation travel of 775 infantry personnel and 135 support personnel. However, the bulk of the rotation travel was undertaken in December 1995 when 775 Bangladesh battalion contingent personnel rotated, resulting in savings of $429,700.

(c) Other costs pertaining to military personnel . . . . . —

9. *Death and disability compensation*. The amount allocated under this heading has been fully obligated to cover potential claims from death, disability or injury of military personnel.

2. Civilian personnel costs

(a) Civilian police . . . . . —

10. No provision was made under this heading.

(b) International and local staff 948 600

11. The cost estimate was based on a total strength of 259 civilian staff (13 Professional, 49 Field Service, 21 General Service and 176 local staff), and the vacancy rate applied was 15 per cent for international staff and 5 per cent for local staff. As shown in annex IV, the average vacancy rates of civilian staff throughout the period averaged 18 per cent for international staff, and 21 per cent for local staff.

12. *International staff salaries*. While provision was made on the basis of a 15 per cent vacancy factor, the actual average vacancy rate of 18 per cent resulted in savings of $104,500.

13. *Local staff salaries*. Savings of $180,400 under local staff salaries were attributable to the lower number of local staff on board.

14. *Common staff costs*. Savings of $284,900 were due to the lower number of civilian staff on board.

15. *Overtime and general temporary assistance*. No provisions were made under overtime and general temporary assistance, resulting in overexpenditures of $3,900 and $2,500 respectively.

16. *Mission subsistence allowance*. Savings of $375,400 were due to the payment of mission subsistence allowance at the reduced rates of $90 in the demilitarized zone and $75 in Kuwait with effect from 1 March 1996, as indicated in paragraph 1 above.

17. *Other travel costs*. Fewer trips than estimated were undertaken during the period, resulting in savings of $9,800 under this heading.

(c) International contractual personnel . . . . . —

(d) United Nations Volunteers . . . . . —

(e) Government-provided personnel . . . . . —

(f) Civilian electoral observers . . . . . —

18. No provision was made under these headings.

3. Premises/accommodation 589 700

19. The savings of $589,700 under this heading were realized from alteration and renovation of premises ($49,700), maintenance supplies ($10,100), maintenance services ($121,500), utilities ($6,700) and construction/prefabricated buildings ($401,700). The streamlining of UNIKOM was initiated during the period; it involved reductions in staff positions at the mission and sector headquarters, as well as at the patrol observation bases. As a result of the streamlining of UNIKOM, sector headquarters were reduced from three to two. In this context, a review of infrastructure requirements was necessary in view of possible further changes in operational and logistical concepts. As a result, some of the projects were either cancelled or postponed.

20. *Alteration and renovation of premises*. Alterations and renovation of workshops and the warehouse were postponed owing to the possible consolidation of transport workshops and supply warehouse facilities from Kheitan to the demilitarized zone. The installation of oil waste storage tanks and the upgrading of the Umm Qasr reservoir were also postponed, which contributed to the savings of $49,700 under this heading.

21. *Maintenance supplies*. Savings of $10,100 were realized because procurement of miscellaneous construction supplies for maintenance and repairs were kept to minimum level for the reasons explained in paragraphs 19 and 20 above.

22. *Maintenance services*. Provision was made for the purchase of required materials for the improvement of the grounds at the sector's platoon camps and other locations, including shaded areas for vehicles and for fuel tanks. Provision was also made for the UNIKOM share of the cost of repairs, maintenance and other common services for the liaison office at Baghdad. For the reasons explained in paragraphs 19 and 20 above, requirements for maintenance services were lower than estimated, resulting in savings of $121,500.

23. *Utilities*. While provision was made at an average monthly cost of $15,500, the actual monthly average cost during the reporting period was $14,400, resulting in savings of $6,700.

24. *Construction/prefabricated buildings*. For the reasons explained in paragraphs 19 and 20 above, envisaged construction projects such as the construction of two 5,000 square metre warehouses and a garbage shelter at Umm Qasr and the construction of an observation tower were cancelled, resulting in savings of $401,700.

4. Infrastructure repairs 50 200

25. The total savings of $50,200 were due to the postponement of plans to upgrade the airstrips and to the limited repair work undertaken for roads in the demilitarized zone.

5. Transport operations 70 700

26. Total savings of $114,600 were realized under purchase of vehicles ($95,400), spare parts, repairs and maintenance ($19,200), which were offset in part by overexpenditures totalling $43,900 under workshop equipment ($2,300), petrol, oil and lubricants ($30,600) and vehicle insurance ($11,000).

27. *Purchase of vehicles*. The cost estimate was made based on the plan to replace 20 vehicles for the period from 1 July 1995 to 30 June 1996. Requisitions for the replacement of 20 vehicles were not processed, as it was anticipated that those vehicles would be transferred from UNAMIR. However, vehicles were diverted to other missions. As a result, no vehicles were purchased during the period, resulting in savings of $95,400 under this heading.

28. *Workshop equipment*. Additional requirements of $2,300 were due to the need to acquire these items outside the mission area at prices higher than anticipated because they were not available locally.

29. *Spare parts, repairs and maintenance*. Savings of $19,200 resulted from delayed placement of purchase orders for spare parts with vendors.

30. *Petrol, oil and lubricants*. Actual expenditures were higher than the apportioned amount, resulting in additional requirements of $30,600 under this heading.

31. *Vehicle insurance*. The higher than anticipated cost of insurance resulted in overexpenditures of $11,000 under this heading.

6. Air operations 463 600

32. Total savings of $463,600 were realized under helicopter operations ($358,400), fixed-wing aircraft ($126,000) and aircrew subsistence allowance ($4,500), offset in part by an overexpenditure of $25,300 under landing fees and ground handling.

(a) Helicopter operations 358 400

33. *Hire-charter costs*. The cost estimate was based on the rates of $1,500 for the first 150 hours and $700 per hour thereafter up to 30 hours per month, or $246,000 for two Bell 212 utility helicopters. Under the new contract, which became effective in October 1995, the rates were $818 per hour for 180 hours per month, or $147,240 per month. The lower than estimated rates for the hiring of the helicopters and the lower actual flying hours resulted in savings of $321,400. A comparison of the estimated and the actual hours flown by the two helicopters is shown in table 2 below.

Table 2 **Estimated and actual hours flown by the two Bell 212 helicopters**

Month	*Estimated hours flown*	*Actual hours flown*
January	180	183
February	180	160
March	180	136
April	180	175
May	180	179
June	180	171

34. *Aviation fuel and lubricants*. Savings of $2,100 were attributed to lower than estimated number of flying hours.

35. *Liability and war-risk insurance*. Savings of $34,900 were realized because the insurance cost was incorporated into the charter contract.

(b) Fixed-wing aircraft 126 000

36. *Hire-charter costs*. Provision was made for the rental of one aircraft (AN-24), which would fly 100 hours per month at the rate of $600 per hour for the first 75 hours and at $400 per hour thereafter for 25 hours. Actual expenditures were at the rate of $28,540 for the first 60 hours per month and at the rate of $180 per hour thereafter, plus $4,100 per month for accommodation and meals for the crew. Savings of $51,000 were realized owing to the lower than estimated rates and the lower hours flown per month. A comparison of the estimated and actual hours flown is shown in table 3 below.

Table 3 **Estimated and actual hours flown by the AN-24 aircraft**

Month	*Estimated hours flown*	*Actual hours flown*
January 1996	100	71.2
February	100	60.7
March	100	56.7
April	100	59.2
May	100	59.1
June	100	62.2

37. *Aviation, fuel and lubricants*. Savings of $63,000 were due to the lower number of flying hours, as shown in table 3 above.

38. *Liability and war risk insurance*. The aircraft charter agreement provided coverage for basic war-risk insurance. The expected savings of $17,900 were reduced because expenditures of $5,900 were incurred for third-party liability insurance for journalists and non-United Nations personnel flying in United Nations-owned or government-leased aircraft. Actual savings amounted to $12,000.

(c) Aircrew subsistence allowance 4 500

39. Provision was made to cover accommodation costs outside Kuwait for the seven-person aircrew at the rate of $70 per person per night for approximately 60 nights. Savings of $4,500 were due to lower costs for hotel accommodation reimbursed to the six-person aircrew as a result of reduced flight requirements.

(d) Other air operations ..... (25 300)

40. *Landing fees and ground handling*. Provision was made for ground-handling charges in Iraq, Kuwait and Cyprus for one fixed-wing aircraft at $3,300 per aircraft per month. Overexpenditure was due to the increase in rates effective 15 April 1996.

7. Naval operations ..... —

41. No provision was made under this heading.

8. Communications **98 300**

42. Total savings of $98,300 were realized under communications equipment ($47,000), spare parts and supplies ($16,600), workshop and test equipment ($24,500) and commercial communications ($10,200).

(a) Complementary communications 98 300

43. *Communications equipment*. Owing to the submission of requisitions at the end of June 1996 for the purchase of a digital microwave radio and multiplex equipment, these items were not procured during the period, resulting in savings of $47,000.

44. *Spare parts and supplies and workshop and test equipment*. Some of the requisitions submitted during the first half of the year have not been finalized, resulting in savings of $16,600 and $24,500 respectively.

45. *Commercial communications*. Expenditures under commercial communications were lower than the resources provided, resulting in savings of $10,200.

(b) Main trunking contract . . . . . —

46. No provision was made under this heading.

9. Other equipment **123 700**

47. Total savings of $159,400 under office furniture ($18,300), office equipment ($12,000), observation equipment ($21,600), petrol tank plus metering equipment ($23,300), accommodation equipment ($11,400) and spare parts, repairs and maintenance ($72,800) were offset in part by overexpenditures totalling $35,700 under data-processing equipment ($18,300), medical and dental equipment ($4,000) and miscellaneous equipment ($13,400). Savings resulted mainly from the strict implementation of the special measures related to the financial crisis of the Organization.

48. *Data-processing equipment*. The additional requirement of $18,300 was due to the acquisition of items such as a central processing unit, a central processing server, back-up tape drivers and internal fax modems for which no budgetary provision had been made. These items were urgently required.

49. *Miscellaneous equipment*. Additional requirements of $13,400 were due to the acquisition of items such as an air conditioner, ovens and a telescope.

50. *Spare parts, repairs and maintenance*. Savings of $72,800 were due to the implementation of the special measures related to the financial crisis of the Organization, as mentioned in paragraph 47 above.

10. Supplies and services **181 700**

(a) Miscellaneous services 61 400

51. Savings totalling $104,400 under contractual services ($23,000), medical treatment and services ($1,000), claims and adjustments ($41,700), official hospitality ($7,300) and miscellaneous other services ($31,400) were offset in part by overexpenditures of $43,000 under security services. The reasons provided in paragraph 44 above also apply to savings realized under supplies and services, with the exception of savings under contractual services.

52. *Contractual services*. Savings of $23,000 were due to lower monthly contracts for support services effective in March 1996.

(b) Miscellaneous supplies 120 300

53. Savings totalling $134,400 realized under sanitation and cleaning materials ($6,000), electrical supplies ($33,900), uniform items, flags and decals ($21,800), field defence stores ($38,600) and quartermaster and general stores ($34,100) were offset in part by overexpenditures totalling $14,100 under stationery and office supplies ($6,300), medical supplies ($700) and subscriptions ($7,100).

54. *Stationery and office supplies*. Additional expenditures of $6,300 were incurred owing to the higher consumption of reproduction materials and data-processing supplies.

55. *Medical supplies*. Actual requirements were higher than the resources provided, resulting in an overexpenditure of $700.

56. *Sanitation and cleaning materials*. While provision was made at $4,300 per month for all office premises and military camps, actual expenditures incurred were $3,300 per month, resulting in savings of $6,000.

57. *Subscriptions*. The cost of subscriptions was higher than the resources provided, resulting in an overexpenditure of $7,100.

58. *Electrical supplies*. The repair and maintenance of electrical installations at UNIKOM headquarters, liaison offices and helicopter landing pads were also limited to immediate operational requirements, as explained in paragraph 47 above, resulting in savings of $33,900.

59. *Uniform items, flags and decals*. Savings of $21,800 were realized owing to the limited acquisition of these items during the period, as explained in paragraph 47 above.

60. *Field defence stores*. Owing to the implementation of the special measures mentioned in paragraph 47 above, no expenditures were incurred for field defence stores, resulting in savings of $38,600.

61. *Quartermaster and general stores*. Savings of $34,100 were realized as procurement of those items were limited to immediate operational requirements, as explained in paragraph 47 above.

11. Election-related supplies and services ..... —

62. No provision was made under this heading.

12. Public information programmes ..... —

63. No provision was made under this heading.

13. Training programmes **18 500**

64. Training was limited to electronic data-processing/computer training for a limited number of UNIKOM staff during the period from January through March 1996, resulting in savings of $18,700.

14. Mine-clearing programmes **34 200**

65. No expenditures were incurred under this heading, resulting in savings of $34,200.

15. Assistance for disarmament and demobilization ..... —

66. No provision was made under this heading.

16. Air and surface freight **5 800**

67. Reduced procurement of equipments and supplies during the period contributed to the lower requirements under freight, resulting in savings of $5,800.

17. United Nations Logistics Base, Brindisi ..... —

68. No provision was made under this heading.

18. Support account for peacekeeping operations ..... —

69. No change.

19. Staff assessment **283 200**

70. The combined average vacancy rate for international and local civilian staff was 20 per cent, as shown in annex IV, resulting in savings under this heading.

20. Income from staff assessment ..... **(283 200)**

71. This amount is derived from item 19 above.

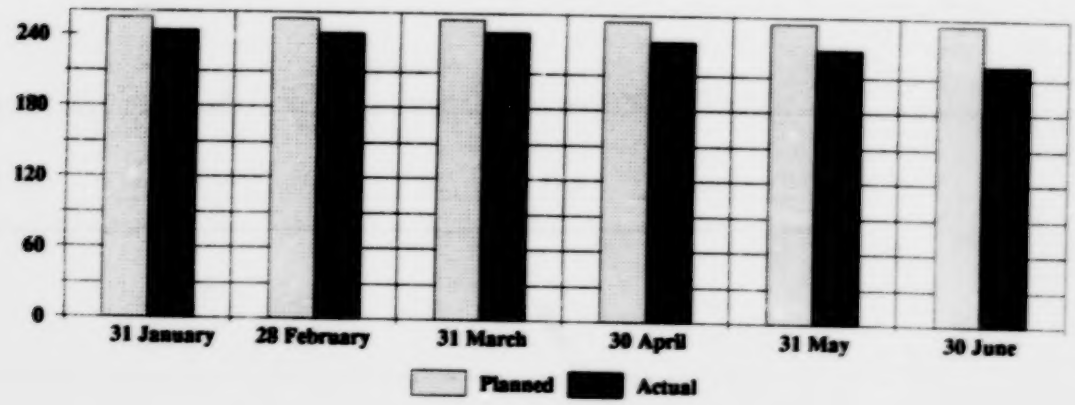
Annex III
Planned and actual deployment of civilian and military personnel for the period from 1 January to 30 June 1996

A. Summary table

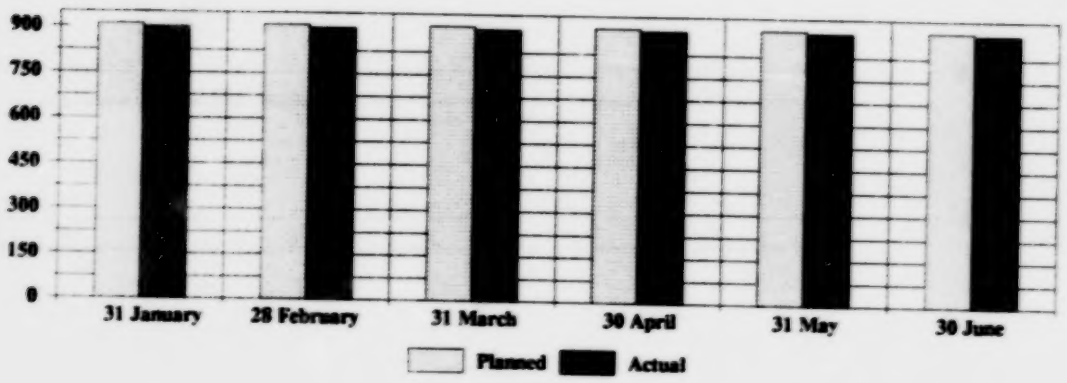
	Deployment as at					
	31 January	*28 February*	*31 March*	*30 April*	*31 May*	*30 June*
Military observers						
Planned	255	255	255	255	255	255
Actual	244	243	244	238	233	221
Difference	11	12	11	17	22	34
Military contingents						
Planned	910	910	910	910	910	910
Actual	900	900	901	902	903	903
Difference	10	10	9	8	7	7
Civilian police						
Planned	-	-	-	-	-	-
Actual	-	-	-	-	-	-
Difference	-	-	-	-	-	-
International staff						
Planned	83	83	83	83	83	83
Actual	70	72	68	68	66	64
Difference	13	11	15	15	17	19
Local staff						
Planned	176	176	176	176	176	176
Actual	139	138	138	137	137	141
Difference	37	38	38	39	39	35

B. Breakdown by personnel category

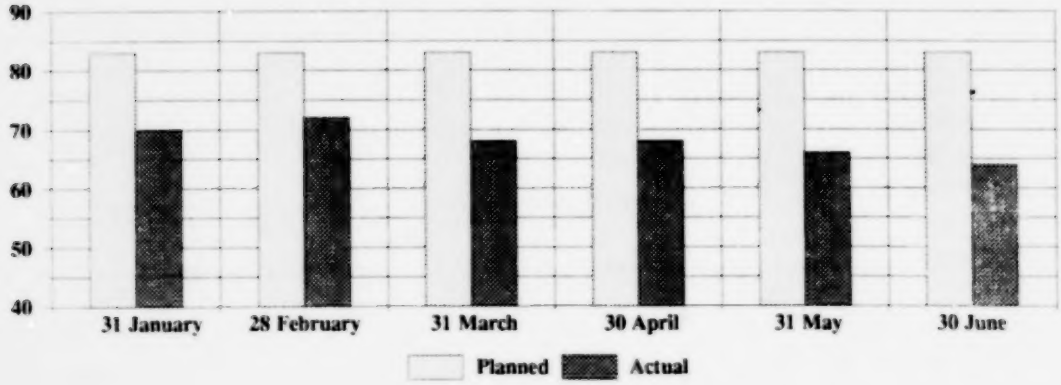
Military observers



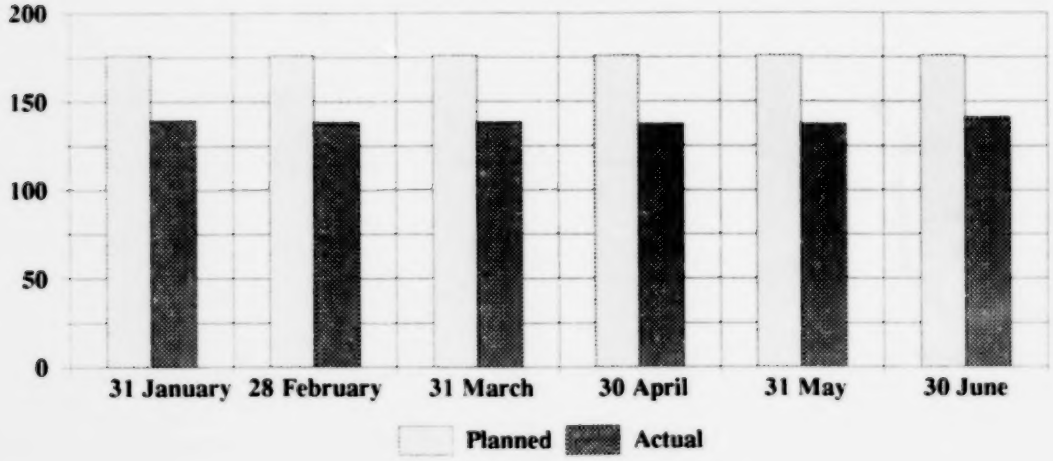
Military contingents



International staff



Local staff



Annex IV
Authorized staffing, incumbency and vacancy rate for the period from 1 January to 30 June 1996

Personnel category	*Authorized as at June*	*Actual staff on board*						*Average*
		31 January	*28 February*	*31 March*	*30 April*	*31 May*	*30 June*	
Military personnel								
Military observers	255	244	243	244	238	233	221	237
Vacancy rate (percentage)		4	5	4	7	9	13	7
Military contingents	910	900	900	901	902	903	903	902
Vacancy rate (percentage)		1	1	1	1	1	1	
Total, military personnel	1 165	1 144	1 143	1 145	1 140	1 136	1 124	1 139
Vacancy rate (percentage)		2	2	2	2	2	4	
Civilian personnel								
Civilian police	-	-	-	-				
Vacancy rate (percentage)		-	-					
International staff								
Under-Secretary-General	-	-	-					
Assistant Secretary-General	1	1	1	1	1	1	1	1
D-2	-	-	-					
D-1	2	1	1	1	1	1	1	1
P-5	2	2	2	2	2	1	1	2
P-4	6	4	5	5	5	6	6	5
P-3	2	2	1	1	1	1	1	1
P-2	-	-	-	-	-	-	-	
Subtotal	13	10	10	10	10	10	10	10
Vacancy rate (percentage)		23	23	23	23	23	23	23
Field Service	45	39	39	36	37	35	33	37
General Service (Principal level)	2	2	2	2	2	2	2	2
General Service (Other levels)	19	15	17	17	16	16	16	16
Security Service	-	-	-	-	-	-	-	-
Subtotal	66	56	58	55	55	53	51	55
Vacancy rate (percentage)		15	12	17	17	20	23	17
Total, international staff	79	66	68	65	65	63	61	65
Vacancy rate (percentage)		16	14	18	18	20	23	18
Local staff	176	139	138	138	137	137	141	138
Vacancy rate (percentage)		21	22	22	22	22	20	21
United Nations Volunteers	-	-	-	-	-	-	-	-
Vacancy rate (percentage)		-	-	-	-	-	-	-
Total, civilian personnel	255	205	206	203	202	200	202	203
Vacancy rate (percentage)		20	19	20	21	22	21	20

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Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission

Report of the Secretary-General

Addendum

Summary

The United Nations Iraq-Kuwait Observation Mission (UNIKOM) was established by the Security Council on 3 April 1991. The present report contains the proposed budget of UNIKOM for the 12-month period from 1 July 1997 to 30 June 1998, which amounts to $50,653,000 gross ($48,600,100 net). This reflects an overall decrease of 0.2 per cent in gross terms compared with the resources approved for the preceding 12-month period, from 1 July 1996 to 30 June 1997, of $50,745,400 gross ($48,674,500 net).

The budget provides for maintaining the Mission, consisting of 195 military observers and 903 troops (775 infantry and 128 support personnel), supported by a civilian establishment of 238 (72 international and 166 local staff).

The action to be taken by the General Assembly is set out in paragraph 24 of the report, including the appropriation of the amount of $50,653,000 gross ($48,600,100 net) for the 12-month period beginning 1 July 1997 for the maintenance of UNIKOM. Two thirds of this amount, equivalent to $32,400,067, is to be funded through voluntary contributions from the Government of Kuwait, and the balance of $18,252,933 gross ($16,200,033 net) is to be assessed at the monthly rate of $1,521,078 gross ($1,350,003 net), subject to the continuation of the Mission by the Security Council.

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I. Introduction

1. The present report contains the proposed budget for the maintenance of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) for the period from 1 July 1997 to 30 June 1998 in the amount of $50,653,000 gross ($48,600,100 net).

2. UNIKOM was established by the Security Council in accordance with its resolution 687 (1991) of 3 April 1991. In its resolution 689 (1991) of 9 April 1991, the Council decided to review the question of the termination or continuation of UNIKOM as well as its modalities of operation every six months. The most recent review by the Security Council was in October 1996. By letter dated 9 October 1996, the President of the Security Council informed the Secretary-General that the members of the Council concurred with his recommendation that UNIKOM be maintained and that the Council would review the question once again by 4 April 1997 (S/1996/840).

3. It is pertinent to recall that the General Assembly, in its resolution 48/242 of 5 April 1994, expressed its appreciation to the Government of Kuwait regarding its decision to defray two thirds of the cost of UNIKOM effective from 1 November 1993. Since then, two thirds of the cost of UNIKOM has been met by voluntary contributions from the Government of Kuwait through 30 April 1997.

4. The General Assembly, in its resolution 50/234 of 7 June 1996, appropriated the amount of $52,141,900 gross ($50,071,000 net) for the maintenance of UNIKOM, subject to review by the Security Council with regard to termination or continuation of the Mission, for the period from 1 July 1996 to 30 June 1997, including the amount of $1,396,500 for the support account for peacekeeping operations. Two thirds of the amount appropriated, equivalent to $33,380,667, was to be funded through voluntary contributions from the Government of Kuwait. By the same resolution, the Assembly also decided to apportion the amount of $18,761,233 gross ($16,690,333 net), representing one third of the cost of the Mission, to be assessed on Member States at the monthly rate of $1,563,436 gross ($1,390,861 net).

II. Political mandate

5. By its resolution 687 (1991), the Security Council established a demilitarized zone along the Iraq-Kuwait boundary and approved the following terms of reference of UNIKOM:

   (a) To monitor the Khawr 'Abd Allah and a demilitarized zone extending 10 kilometres into Iraq and 5 kilometres into Kuwait from the boundary referred to in the Agreed Minutes between the State of Kuwait and the Republic of Iraq regarding the restoration of friendly relations, recognition and related matters of 4 October 1963;[1]

   (b) To deter violations of the boundary through its presence in and surveillance of the demilitarized zone;

   (c) To observe any hostile or potentially hostile action mounted from the territory of one State against the other.

6. Subsequently, by its resolution 806 (1993) of 5 February 1993, the Security Council extended the terms of reference of UNIKOM to take action to prevent or, if that failed, to redress:

   (a) Small-scale violations of the demilitarized zone;

   (b) Violations of the boundary between Iraq and Kuwait, for example by civilians or police;

   (c) Problems that might arise from the presence of Iraqi installations and Iraqi citizens and their assets in the demilitarized zone on the Kuwait side of the newly demarcated boundary.

[1] United Nations, *Treaty Series*, vol. 485, No. 7063.

III. Operational plan and requirements

7. The UNIKOM concept of operations is based on surveillance, control, investigation and liaison. The demilitarized zone is an area that is about 200 kilometres long and extends 10 kilometres into Iraq and 5 kilometres into Kuwait. Surveillance of the zone is based on patrol and observation bases, ground and air patrols and observation points. Control operations include static checkpoints, random checks and maintenance of a force mobile reserve. Investigation teams are maintained at the sector level as well as at UNIKOM headquarters, and continuous liaison is carried out at all levels. For operational purposes, the zone is divided into two sectors (northern and southern), with 10 and 8 patrol/observation bases respectively. UNIKOM also has liaison offices at Baghdad and Kuwait City for the purpose of liaison with the Governments of Iraq and Kuwait.

8. The military observers have the primary responsibility for conducting patrol, observation, investigation and liaison activities. The infantry battalion is deployed at Camp Khor, at a company camp at Al'Abdali and at platoon camps in the southern and northern sectors. The battalion undertakes armed patrols within the sectors and has a mobile reserve, which is deployed as necessary in sensitive situations. The battalion also operates checkpoints at the border-crossing sites and conducts random checks in cooperation with Iraqi and Kuwaiti liaison officers. The battalion has staffed the easternmost patrol and observation base on the Iraqi side of the demilitarized zone. It also provides security for UNIKOM personnel and its installations where and when necessary.

9. The authorized strength of UNIKOM consists of 300 military observers (105 of which are on standby), and 910 troops, including 135 support personnel. For the period from 1 July 1997 to 30 June 1998, budgetary provision is made for only 903 troops, composed of 775 infantry and 128 support personnel, including an engineering unit from Argentina, a logistics unit from Austria, a medical unit from Germany and a helicopter crew from Bangladesh.

10. The Mission is supported by 238 civilian personnel assigned to the following sections/offices: Office of the Force Commander, Chief Administrative Officer's Office, Personnel Section, Finance Section, Transport Section, General Services Section, Communications Section, Electronic Data-Processing Section, Procurement Section and Engineering Support Services Section.

IV. Financial administration

A. Financial period

11. A financial period for UNIKOM was established by the General Assembly in its resolution 47/208 A of 22 December 1992, covering the 12-month period from 1 November to 31 October. In accordance with section I of General Assembly resolution 49/233 A of 23 December 1994, a new financial period covering 12 months, beginning on 1 July and terminating on 30 June, became effective on 1 July 1996.

B. Resources made available and operating costs from inception to 30 June 1997

12. The total resources made available to UNIKOM from its inception on 9 April 1991 to 30 June 1997 amount to $408,018,900 gross (including voluntary contributions of $144,326,267 provided by the Government of Kuwait). The total estimated expenditures amount to $355,669,233 gross. In addition to

the credits of $5,703,700 gross to be set off against assessed contributions on Member States and against voluntary contributions from the Government of Kuwait pursuant to General Assembly decision 51/440 of 16 December 1996, there is an unencumbered balance of $4,603,200 gross for the period from 1 January to 30 June 1996. Detailed information is presented in annex VI to the present report.

C. Status of assessed contributions

13. As of 31 January 1997, a total amount of $210,672,409 had been assessed on Member States for the period from its inception to 30 April 1997. In addition, outstanding assessments were reduced by an amount of $730,515 pursuant to General Assembly resolution 50/83 of 15 December 1995. Contributions received as at 31 January 1997 for the same period amounted to $196,728,099, representing a shortfall of $13,944,310.

D. Voluntary contributions and trust funds

14. The General Assembly, in paragraph 14 of its resolution 50/234, invited voluntary contributions to UNIKOM in cash and in the form of services and supplies acceptable to the Secretary-General. The following voluntary contributions have been provided by the Government of Kuwait:

    (a) Two thirds of the cost of UNIKOM, totalling $144,326,267, had been received as at 23 January 1997, for the period from 1 November 1993 to 30 April 1997;

    (b) Thirty-five vehicles and two trailers from the Government of Kuwait for the use of the Engineering Unit of UNIKOM and one vehicle for use by the Force Commander, for which budgetary provision had not been made.

15. No trust fund has been established in support of UNIKOM.

V. Status of reimbursements to troop-contributing Governments

16. Currently, troops are provided by Argentina, Austria, Bangladesh and Germany. Full reimbursement in accordance with the standard rates established by the General Assembly for troop costs had been made to troop-contributing countries up to 31 July 1996. It is estimated that an amount of $5,923,440 is due for troop costs for the period ending January 1997.

17. Troops were previously provided to the Mission by Canada, Chile, Denmark, Norway and Sweden.

VI. Signature of status-of-mission agreements

18. Iraq and Kuwait entered into agreements with the United Nations on the status of the Mission on 20 May 1991 and 20 June 1991, respectively.

VII. Cost estimates for the period from 1 July 1997 to 30 June 1998

19. As shown in annex I, column 2, the cost of maintaining UNIKOM for the period from 1 July 1997 to 30 June 1998 is estimated at $50,653,000 gross ($48,600,100 net). Some 48 per cent of those amounts is based on standard ratios and costs contained in the Standard Cost Manual for Peacekeeping Operations, while the remaining 52 per cent covers mission-specific requirements and other items that may vary from the norm. Those mission-specific requirements and variations are described in annex II, section A.

20. A breakdown of the proposed budget by non-recurrent and recurrent costs is shown in columns 3 and 4, respectively, of annex I. Non-recurrent costs amount to $1,952,600 gross and net, while recurrent costs amount to $48,700,400 gross ($46,647,500 net). For purposes of comparison, the approved resources for the prior 12-month period, from 1 July 1996 to 30 June 1997, amounting to $50,745,400 gross ($48,674,500 net), are shown in column 1. Supplementary information on the cost estimates is presented in annex II. Section A provides mission-specific cost parameters; non-recurrent requirements are provided in section B; and supplemental explanations on the cost estimates are provided in section C.

21. The present cost estimates represent a 0.2 per cent decrease, in gross terms, in relation to the previous estimate.

VIII. Staffing requirements

22. The proposed changes to the current staffing table are shown in the table below. The increase of one international staff post is the result of the request for one Professional post to support the UNIKOM Procurement Section. The table also shows a decrease of four local staff as security guards. A detailed breakdown of the staffing table is contained in annex IV, and the justification for additional staffing requirements is contained in annex V.

Table **Current and proposed staffing table**

	Current staffing	*Proposed staffing*	*Increase/decrease*
Professional and above			
Assistant Secretary-General	1	1	–
D-2	–	–	–
D-1	2	2	–
P-5	2	2	–
P-4	6	6	–
P-3	2	3	1
Subtotal	**13**	**14**	**1**
General Service			
Principal level	2	2	–
Other levels	17	17	–
Subtotal	**19**	**19**	**–**
Other			
Field Service	39	39	–
Security Service	–	–	–
Subtotal	**39**	**39**	**–**
Total, international staff	**71**	**72**	**1**
Local staff	170	166	(4)
Grand total	**241**	**238**	**(3)**

IX. Observations and comments on previous recommendations of the Advisory Committee on Administrative and Budgetary Questions

23. There were no outstanding responses to the observations and recommendations of the Advisory Committee on Administrative and Budgetary Questions in its previous reports.

X. Action to be taken by the General Assembly at its fifty-first session

24. The action to be taken by the General Assembly at its fifty-first session in connection with the financing of UNIKOM is the appropriation of the amount $50,653,000 gross ($48,600,100 net) for the maintenance of the Mission for the 12-month period from 1 July 1997 to 30 June 1998. Two thirds of that amount, equivalent to $32,400,067, is to be funded through voluntary contributions from the Government of Kuwait and the remaining one third, equivalent to $18,252,933 gross ($16,200,033 net), is to be assessed on Member States at the monthly rate of $1,521,078 gross ($1,350,003 net), subject to review by the Security Council with regard to the termination or continuation of UNIKOM.

Annex I
Cost estimates for the period from 1 July 1997 to 30 June 1998

(Thousands of United States dollars)

	(1)	(2)	(3)	(4)
		1 July 1997 to 30 June 1998		
	1 July 1996 to 30 June 1997	Total costs (3 + 4)	Non-recurrent costs	Recurrent costs
1. Military personnel costs				
(a) Military observers				
Mission subsistence allowance	6 825.6	6 396.6	—	6 396.6
Travel costs	880.0	780.0	—	780.0
Clothing and equipment allowance	41.3	39.0	—	39.0
Subtotal	**7 746.9**	**7 215.6**	**—**	**7 215.6**
(b) Military contingents				
Standard troop cost reimbursement	11 164.7	11 152.0	—	11 152.0
Welfare	176.3	284.4	—	284.4
Rations	2 607.4	2 234.9	—	2 234.9
Daily allowance	424.5	421.9	—	421.9
Meal and accommodation allowance	—	—	—	—
Emplacement, rotation and repatriation of troops	1 446.2	1 443.4	—	1 443.4
Clothing and equipment allowance	762.9	762.3	—	762.3
Subtotal	**16 582.0**	**16 298.9**	**—**	**16 298.9**
(c) Other costs pertaining to military personnel				
Contingent-owned equipment	1 675.0	1 629.1	—	1 629.1
Death and disability compensation	320.0	320.0	—	320.0
Subtotal	**1 995.0**	**1 949.1**	**—**	**1 949.1**
Total, line 1	**26 323.9**	**25 463.6**	**—**	**25 463.6**
2. Civilian personnel costs				
(a) Civilian police	—	—	—	—
(b) International and local staff				
International staff salaries	3 549.6	3 907.1	—	3 907.1
Local staff salaries	3 646.4	3 807.8	—	3 807.8
Consultants	—	—	—	—
Overtime	—	—	—	—
General temporary assistance	—	—	—	—
Common staff costs	3 603.1	3 851.1	—	3 851.1
Mission subsistence allowance	2 141.4	2 167.4	—	2 167.4
Other travel costs	45.5	55.0	—	55.0
Subtotal	**12 986.0**	**13 788.4**	**—**	**13 788.4**
(c) International contractual personnel	—	—	—	—
(d) United Nations Volunteers	—	—	—	—
(e) Government-provided personnel	—	—	—	—

		(1)	(2)	(3)	(4)
			1 July 1997 to 30 June 1998		
		1 July 1996 to 30 June 1997	Total costs (3 + 4)	Non-recurrent costs	Recurrent costs
	(f) *Civilian electoral observers*	—	—	—	—
	Total, line 2	**12 986.0**	**13 788.4**	**—**	**13 788.4**
3.	**Premises/accommodation**				
	Rental of premises	—	—	—	—
	Alteration and renovation of premises	300.0	171.5	171.5	—
	Maintenance supplies	170.0	170.0	—	170.0
	Maintenance services	165.6	164.0	—	164.0
	Utilities	207.4	279.4	—	279.4
	Construction/prefabricated buildings	326.0	262.5	262.5	—
	Total, line 3	**1 169.0**	**1 047.4**	**434.0**	**613.4**
4.	**Infrastructure repairs**				
	Upgrading of airstrips	—	—	—	—
	Upgrading of roads	70.0	60.0	60.0	—
	Repair of bridges	—	—	—	—
	Total, line 4	**70.0**	**60.0**	**60.0**	**—**
5.	**Transport operations**				
	Purchase of vehicles	214.0	688.9	688.9	—
	Rental of vehicles	—	—	—	—
	Workshop equipment	44.5	30.0	30.0	—
	Spare parts, repairs and maintenance	1 042.7	1 024.7	—	1 024.7
	Petrol, oil and lubricants	750.6	429.6	—	429.6
	Vehicle insurance	167.9	173.0	—	173.0
	Total, line 5	**2 219.7**	**2 346.2**	**718.9**	**1 627.3**
6.	**Air operations**				
	(a) *Helicopter operations*				
	Hire/charter costs	1 766.9	2 032.6	—	2 032.6
	Aviation fuel and lubricants	203.7	234.0	—	234.0
	Positioning/depositioning costs	—	—	—	—
	Resupply flights	—	—	—	—
	Painting/preparation	—	—	—	—
	Liability and war-risk insurance	4.0	4.0	—	4.0
	Subtotal	**1 974.6**	**2 270.6**	**—**	**2 270.6**
	(b) *Fixed-wing aircraft*				
	Hire/charter costs	482.2	358.8	—	358.8
	Aviation fuel and lubricants	339.5	265.2	—	265.2
	Positioning/depositioning costs	5.0	10.0	10.0	—
	Painting/preparation	2.0	2.0	2.0	—
	Resupply flights	—	—	—	—
	Liability and war-risk insurance	—	—	—	—
	Subtotal	**828.7**	**636.0**	**12.0**	**624.0**

	(1)	(2)	(3)	(4)
		1 July 1997 to 30 June 1998		
	1 July 1996 to 30 June 1997	Total costs (3 + 4)	Non-recurrent costs	Recurrent costs
(c) *Aircrew subsistence allowance*	58.8	50.4	—	50.4
(d) *Other air operations*				
Air traffic control services and equipment	—	—	—	—
Landing fees and ground handling	44.4	130.3	—	130.3
Fuel storage and containers	—	—	—	—
Subtotal	**44.4**	**130.3**	**—**	**130.3**
Total, line 6	**2 906.5**	**3 087.3**	**12.0**	**3 075.3**
7. Naval operations	—	—	—	—
8. Communications				
(a) *Complementary communications*				
Communications equipment	166.2	457.4	457.4	—
Spare parts and supplies	131.0	103.0	—	103.0
Workshop and test equipment	57.0	38.0	38.0	—
Commercial communications	253.6	264.1	—	264.1
Subtotal	**607.8**	**862.5**	**495.4**	**367.1**
(b) *Main trunking contract*	—	—	—	—
Total, line 8	**607.8**	**862.5**	**495.4**	**367.1**
9. Other equipment				
Office furniture	24.4	20.4	20.4	—
Office equipment	18.0	—	—	—
Data-processing equipment	60.0	139.6	127.4	12.2
Generators	—	—	—	—
Observation equipment	47.0	21.5	21.5	—
Petrol tank plus metering equipment	—	—	—	—
Water and septic tanks	60.0	—	—	—
Medical and dental equipment	40.7	—	—	—
Accommodation equipment	45.0	40.0	40.0	—
Refrigeration equipment	2.0	—	—	—
Miscellaneous equipment	48.0	23.0	23.0	—
Field defence equipment	—	—	—	—
Spare parts, repairs and maintenance	250.0	211.8	—	211.8
Water-purification equipment	50.0	—	—	—
Total, line 9	**645.1**	**456.3**	**232.3**	**224.0**
10. Supplies and services				
(a) *Miscellaneous services*				
Audit services	183.4	93.2	—	93.2
Contractual services	649.1	634.7	—	634.7
Data-processing services	—	—	—	—
Security services	—	—	—	—
Medical treatment and services	18.0	—	—	—

		(1)	(2)	(3)	(4)
			1 July 1997 to 30 June 1998		
		1 July 1996 to 30 June 1997	Total costs (3 + 4)	Non-recurrent costs	Recurrent costs
	Claims and adjustments	70.0	50.0	—	50.0
	Official hospitality	15.0	5.0	—	5.0
	Miscellaneous other services	80.0	50.0	—	50.0
	Subtotal	**1 015.5**	**832.9**	**—**	**832.9**
	(b) Miscellaneous supplies				
	Stationery and office supplies	80.0	80.0	—	80.0
	Medical supplies	45.0	34.7	—	34.7
	Sanitation and cleaning materials	50.0	25.0	—	25.0
	Subscriptions	20.0	16.2	—	16.2
	Electrical supplies	100.0	100.0	—	100.0
	Ballistic-protective blankets for vehicles	—	—	—	—
	Uniform items, flags and decals	80.0	147.1	—	147.1
	Field defence stores	56.0	56.0	—	56.0
	Operational maps	5.0	6.0	—	6.0
	Quartermaster and general stores	130.0	70.5	—	70.5
	Subtotal	**566.0**	**535.5**	**—**	**535.5**
	Total, line 10	**1 581.5**	**1 368.4**	**—**	**1 368.4**
11.	**Election-related supplies and services**	—	—	—	—
12.	**Public information programmes**	—	—	—	—
13.	**Training programmes**				
	Consultants	—	—	—	—
	Consultants' travel	—	—	—	—
	Training equipment	—	—	—	—
	Training materials	—	—	—	—
	Miscellaneous services	—	10.0	—	10.0
	Total, line 13	**—**	**10.0**	**—**	**10.0**
14.	**Mine-clearing programmes**				
	(a) Acquisition of equipment	—	—	—	—
	(b) Supplies, services and operating costs				
	Wages and food supplement	—	—	—	—
	Miscellaneous services	—	—	—	—
	Miscellaneous supplies	65.0	10.0	—	10.0
	Subtotal	**65.0**	**10.0**	**—**	**10.0**
	Total, line 14	**65.0**	**10.0**	**—**	**10.0**
15.	**Assistance for disarmament and demobilization**	—	—	—	—
16.	**Air and surface freight**				
	Transport of contingent-owned equipment	—	—	—	—
	Military airlifts	—	—	—	—
	Commercial freight and cartage	100.0	100.0	—	100.0
	Total, line 16	**100.0**	**100.0**	**—**	**100.0**

	(1)	(2)	(3)	(4)
		1 July 1997 to 30 June 1998		
	1 July 1996 to 30 June 1997	Total costs (3 + 4)	Non-recurrent costs	Recurrent costs
17. United Nations Logistics Base at Brindisi	—	—	—	—
18. Support account for peacekeeping operations	—	—	—	—
19. Staff assessment				
International staff	1 145.9	1 175.5	—	1 175.5
Local staff	925.0	877.4	—	877.4
Total, line 19	**2 070.9**	**2 052.9**	**—**	**2 052.9**
Total, lines 1-19	**50 745.4**	**50 653.0**	**1 952.6**	**48 700.4**
20. Income from staff assessment	(2 070.9)	(2 052.9)	—	(2 052.9)
21. Voluntary contributions in kind (budgeted)	—	—	—	—
Total, lines 20-21	**(2 070.9)**	**(2 052.9)**	**—**	**(2 052.9)**
Gross requirements	50 745.4	50 653.0	1 952.6	48 700.4
Net requirements	48 674.5	48 600.1	1 952.6	46 647.5
22. Voluntary contributions in kind (non-budgeted)	—	—	—	—
Total resources	**48 674.5**	**48 600.1**	**1 952.6**	**46 647.5**

Annex II
Supplementary information on the cost estimates for the period from 1 July 1997 to 30 June 1998

A. Mission-specific costs and ratios

Description	Previous submission	Proposed estimates: Average strength	Proposed estimates: Unit or daily cost (United States dollars)	Proposed estimates: Monthly cost (United States dollars)	Proposed estimates: Annual cost (United States dollars)	Ratio	Explanation
1. Mission subsistence allowance							See section C for additional information.
Assistant Secretary-General demilitarized zone (DMZ)	112.50		112.50				Rates became effective on 1 March 1996.
D-1 (DMZ)	99.00		99.00				
Others							
DMZ	90.00		90.00				
Kuwait	75.00		75.00				
Baghdad	125.00		100.00				Rate became effective on 15 October 1996.
2. Travel costs							
Military observers and international staff	2 000.00		2 000.00				One-way airfare including shipment of personal effects.
Contingents	700.00		700.00				One-way airfare.
3. Military personnel							
Military observers	255	195					Streamlining will be completed in April 1997.
Infantry	775	775					
Logistics/support	129	128					Based on actual number of medical personnel on board (15).
4. Rations							See section C for additional information.
Rations	5.95		5.95				
Bottled water	1.50		0.64				Due to lower price.
5. Civilian personnel							See section C for additional information.
International staff	71	72					
Local staff	170	166					
6. Local staff							See section C for additional information.
Net salary							
DMZ and Kuwait	2 000.00			2 000.00			

Description	Previous submission	Average strength	Proposed estimates: Unit or daily cost (United States dollars)	Proposed estimates: Monthly cost (United States dollars)	Proposed estimates: Annual cost (United States dollars)	Ratio	Explanation
Baghdad	1 200.00			1 800.00			
Common staff costs							
DMZ and Kuwait	600.00			600.00			
Baghdad	300.00			300.00			
Staff assessment							
DMZ and Kuwait	400.00			400.00			
Baghdad	400.00			400.00			
7. Utilities							See section C for additional information.
Electricity	15 000.00			15 000.00			
Water	2 300.00			2 300.00*			
8. Vehicles							
Civilian pattern	414	422					See section C for additional information.
						1:1.5	Operational area of DMZ is a desert 200 km long, extending 10 km into Iraq and 5 km into Kuwait.
Military pattern	32	32					
9. Spare parts and repair and maintenance of vehicles							See section C for additional information.
Civilian pattern							
Light vehicles	125.00			125.00			
Special purpose vehicles	267.00			267.00			
Armoured personnel carrier tracts	521.00			521.00			
10. Petrol							See section C for additional information.
Civilian pattern	1 700.00		949.00				
Military pattern	200.00		136.00				
11. Vehicle insurance							See section C for additional information.
Local coverage							
Civilian pattern							
Iraq	115 900.00				118 200.00		
Kuwait	33 100.00				31 200.00		
Military pattern							
Iraq	9 000.00	32	280.00		9 000.00		Unit cost of $280 per armoured personnel carrier per annum.
Kuwait	—				—		

Description	Previous submission	Average strength	Proposed estimates: Unit or daily cost (United States dollars)	Proposed estimates: Monthly cost (United States dollars)	Proposed estimates: Annual cost (United States dollars)	Ratio	Explanation
Worldwide coverage							
Civilian pattern	14 500.00				14 400.00		
Military pattern	8 000.00				9 200.00		
12. Helicopters							See section C for additional information.
Number	2	2					For patrol and reconnaissance flights, resupply flights, coastal patrols, medical evacuation, search and rescue operations.
Block hours (per month)	180			180			
Hire cost	818.00			941.00			Based on new contract.
Fuel	14 800.00			19 500.00			Due to higher cost.
13. Fixed-wing aircraft							See section C for additional information.
Number (AN-26)	1	1					For transportation of personnel, supplies and equipment in mission area.
Block hours (per month)	100			85			Based on new contract.
Hire cost	40 180.00			29 896.00			
Fuel	28 300.00			22 100.00			
14. Other air operations							See section C for additional information.
Crew allowance	4 900.00			4 200.00			
Landing fees and ground handling	3 700.00			10 100.00			
15. Satellite communications							
Transponder	9 083.00			10 500.00			Due to higher cost of UNIKOM share in the rental of Indian Ocean region satellite.
16. Commercial communications							
Telephone, postage, rental of post office box and pouch	12 100.00			11 500.00			Due to lower cost of communications via INMARSAT.

B. Requirements for non-recurrent costs

(Thousands of United States dollars, unless otherwise indicated)

		(1) Current inventory	(2) Replacement	(3) Additional	(4) Total number of units (2 + 3)	(5) Unit cost	(6) Total cost (4 x 5)
1.	**Military personnel costs**						—
2.	**Civilian personnel costs**						—
3.	**Premises/accommodation**						
	Alteration and renovation of premises						
	Standardize electrical system on patrol observation base towers						45.5
	Repair unsafe self-help sun-protection sheds at patrol observation bases						21.0
	Repair and repaint exterior of Kheitan facilities						35.0
	Refurbish unsanitary shower stalls in all Camp Khor barrack blocks						70.0
	Subtotal						**171.5**
	Construction/prefabricated buildings						
	Construction of transport warehouse and offices to replace those vacated in Kheitan						175.0
	Addition of an extension of 4 bays to the motor-transport officer workshop						70.0
	Construction of two new microwave equipment shelters complete with perimeter fencing						17.5
	Subtotal						**262.5**
	Total, line 3						**434.0**
4.	**Infrastructure repairs**						
	Upgrading of roads						
	Installation of an access to and parking lot near the new Sector North accommodation in Abdally Camp						5.0
	Construction of patrol routes to adjust to the installation (Kuwait) of a fence and remote surveillance security system 1 km from the border						20.0
	Repair and resurfacing of unpaved roads and 28 parking areas						35.0
	Total, line 4						**60.0**

	(1) Current inventory	(2) Replacement	(3) Additional	(4) Total number of units (2 + 3)	(5) Unit cost	(6) Total cost (4 x 5)
5. Transport operations						
Purchase of vehicles						
Sedan, light	23	3	—	3	15.0	45.0
Sedan, medium	8	2	—	2	18.0	36.0
Land cruiser	151	19	—	19	25.0	475.0
Bus, medium	10	1	—	1	43.0	43.0
Subtotal						**599.0**
Freight at 15 per cent						89.9
Subtotal						**688.9**
Workshop equipment						30.0
Total, line 5						**718.9**
6. Air operations						**12.0**
7. Naval operations						—
8. Communications						
(a) *Complementary communications*						
VHF equipment						
Portable radio	352	40	—	40	0.5	20.0
Base station and charges	120	5	—	5	1.5	7.5
Repeater station	19	2	—	2	10.0	20.0
Satellite equipment						
INTELSAT earth station	3	—	1	1	170.0	170.0
Low-noise amplifier	2	2	—	2	1.5	3.0
Telephone equipment						
Rural UHF telephone	49	2	—	2	5.0	10.0
Fax machine	30	4	—	4	2.7	10.8
Miscellaneous equipment						
Multiplex equipment (Timeplex)	—	—	2	2	25.0	50.0
Microwave digital equipment	12	—	2	2	16.0	32.0
Multichargers	—	6	—	6	0.35	2.1
Multiplex equipment (MUX 30)	1	—	2	2	35.0	70.0
Pagers	113	6	—	6	0.25	1.5
Pager encoders	4	4	—	4	0.2	0.8
Subtotal						**397.7**
Freight at 15 per cent						59.7
Subtotal						**457.4**

		(1) Current inventory	(2) Replacement	(3) Additional	(4) Total number of units (2 + 3)	(5) Unit cost	(6) Total cost (4 x 5)
	Workshop and test equipment						
	Toolbox with tools	—	3	—	3	1.0	3.0
	Digital transmission test set	—	—	2	2	15.0	30.0
	Subtotal						**33.0**
	Freight at 15 per cent						5.0
	Subtotal						**38.0**
	Subtotal, line 8 (a)						**495.4**
(b)	*Main trunking contract*						—
	Total, line 8						**495.4**
9.	**Other equipment**						
	Office furniture						
	Desk	451	30	—	30	0.35	10.5
	Swivel chair	594	30	—	30	0.30	9.0
	Filing cabinet	157	30	—	30	0.20	6.0
	Notice board	40	10	—	10	0.10	1.0
	Visitor's chair	113	30	—	30	0.15	4.5
	Easy chair	587	15	—	15	0.15	2.3
	End table	30	10	—	10	0.15	1.5
	Coffee table	65	10	—	10	0.20	2.0
	Lamp table	0	10	—	10	0.05	0.5
	Subtotal		**175**		**175**		**37.3**
	Freight at 15 per cent						5.6
	Subtotal						**42.9**
	Less surplus stock				106		22.5
	Total, office furniture						**20.4**
	Office equipment						—
	Data-processing equipment						
	Servers	7	—	1	1	30.0	30.0
	Personal computers	224	28	—	28	1.8	50.4
	Printers	188	10	—	10	1.0	10.0
	Monitors	—	28	—	28	0.3	8.4
	Uninterruptible power supply	160	—	40	40	0.3	12.0
	Subtotal						**110.8**
	Freight at 15 per cent						16.6
	Total, data-processing equipment						**127.4**

	(1) Current inventory	(2) Replacement	(3) Additional	(4) Total number of units (2 + 3)	(5) Unit cost	(6) Total cost (4 x 5)
Observation equipment						
Night vision devices						
ITT Gen II plus	0	—	4	4	3.5	14.0
Global positioning system (Trimble)	65	—	6	6	0.8	4.8
Dragon spotlights	—	—	6	6	0.5	2.7
Total, observation equipment						**21.5**
Accommodation equipment						40.0
Miscellaneous equipment						23.0
Total, line 9						**232.3**
10. Supplies and services						—
11. Election-related supplies and services						—
12. Public information programmes						—
13. Training programmes						—
14. Mine-clearing programmes						—
15. Assistance for disarmament and demobilization						—
16. Air and surface freight						—
17. United Nations Logistic Base at Brindisi						—
18. Support account for peacekeeping operations						—
19. Staff assessment						—
Total, lines 1-19						**1 952.6**

C. Supplementary explanation

1. *Military observers*. Provision is made for mission subsistence allowance for 195 military observers at the following rates: $90 per day for 185 observers stationed in the demilitarized zone; $75 per day for 5 observers in Kuwait and $100 per day for 5 observers in Baghdad. Provision is also made for round-trip rotation travel for 195 military observers at the rate of $4,000.

2. *Standard troop cost reimbursement*. Provision is made for reimbursement to troop-contributing Governments for 903 contingent personnel provided to UNIKOM (775 for infantry personnel and 128 support personnel), taking into account an overlap factor of 0.5 per cent during rotation.

3. *Welfare*. Provision is made to pay troops for recreational leave at a rate of $10.50 per person per day up to seven days taken during a six-month period of service ($132,800). Provision is also made for other welfare activities at $9 per month per person ($97,400) and personal mail and postage for contingent personnel at the standard rate of $5 per month ($54,200).

4. *Rations*. The estimate provides for feeding members of the Mission who are assigned to posts where mess facilities must be provided through arrangements with a local caterer. Provision is made for 903 contingent personnel at $5.95 per person per day for 365 days ($1,961,100). Provision is also made for 18 bottles of 1.5 litres of water per week for military personnel, contingent personnel and international staff ($273,500).

5. *Emplacement, rotation and repatriation of troops*. Provision is made for one round trip for rotation of 775 contingent personnel and two round trips for rotation of 128 support personnel at the rate of $1,400 per round trip.

6. *Clothing and equipment allowance*. The estimate takes into account an overlap factor of 0.5 per cent.

7. *Contingent-owned equipment*. The estimate provides for payment to the host countries and troop-contributing Governments of the costs of contingent-owned equipment furnished to their contingents at the request of the United Nations based on an annual depreciation rate of 10 per cent.

8. *International and local staff salaries*. Salaries of internationally recruited staff are estimated on the basis of the 1997 standard rates for New York, and local salaries reflect the scale currently applicable in the mission area. The estimate provides for 72 international staff (14 Professional, 19 General Service and 39 Field Service) and 166 local staff. The estimate includes application of a 5 per cent vacancy factor for both categories of staff.

9. *Official travel*. The present cost estimate provides for seven official trips of the Force Commander and other officials to New York for briefing and consultations (round-trip airfare at $4,000 and daily subsistence allowance at $201 per day ($38,000)), as well as travel and subsistence costs of two internal auditors for a trip between New York and the mission area ($17,000).

10. *Premises/accommodation*. A total of $170,000 is provided under maintenance supplies for routine maintenance and repairs involving the execution of some 3,000 work orders for a year. Provision of $279,400 is made for the cost of utilities for the Umm Qasr headquarters, estimated at $15,000 per month for electricity ($180,000) and $50 per day for water ($18,250). Potable water is delivered weekly to patrol observation base N-2 by a private contractor at a cost of $175 per week, including emergency deliveries ($9,100). Utilities in Camp Khor, Al-Abdaly and Kheitan are provided free of charge by the host Government. Also included under this heading is the cost of diesel fuel for generators installed at the base, the platoon camp and sectors ($72,000).

11. *Purchase of vehicles*. During the 1996/97 financial period, it was anticipated that the vehicle establishment of 470 could be reduced by 56 to 414. On the basis of a further review, it was determined that a vehicle establishment of 422 would be required. The cost estimate provides for the replacement of 25 vehicles that are being proposed for write-off through normal wear and tear in accordance with the kilometres-per-year replacement programme to meet transport requirements in the camps and sectors.

12. *Transport workshop equipment*. Provision is made for the replacement of various types of workshop equipment, such as general mechanic tools and power tools for the main workshop, the Austrian logistics heavy-duty workshop and the two Bangladeshi battalion workshops ($30,000).

13. *Transport spare parts, repairs and maintenance*. The cost estimate provides for spare parts, repairs and maintenance of 267 United Nations-owned vehicles and 155 contingent-owned vehicles of various types as follows: (a) 195 light United Nations-owned and 54 light contingent-owned general-purpose vehicles at an annual cost of $1,500 per vehicle ($373,500); (b) 72 United Nations-owned special-purpose vehicles and engineering equipment and 69 contingent-owned special-purpose vehicles at an annual cost of $3,200 per vehicle ($451,200); (c) 32 heavy contingent-owned armoured vehicles at an annual cost of $6,250 per vehicle ($200,000).

14. *Petrol, oil and lubricants*. The cost estimate is based on a monthly consumption of 140 gallons (530 litres) of petrol/diesel fuel per vehicle for 256 United Nations-owned vehicles and 123 contingent-owned vehicles, and 250 gallons (950 litres) per vehicle for 11 pieces of United Nations-owned engineering equipment and 32 contingent-owned armoured vehicles, at a cost of $0.51 per gallon ($0.13 per litre), plus the cost of oil and lubricants at 10 per cent of the cost of fuel.

15. *Vehicle insurance*. Provision is made for local third-party liability insurance coverage for 267 United Nations-owned vehicles and 155 contingent-owned vehicles, including 32 armoured personnel carriers. The rates are as follows: (a) in Iraq, 422 vehicles at $280 per vehicle ($118,200); (b) in Kuwait, 390 vehicles at $80 per vehicle ($31,200). In addition, worldwide coverage is required for 390 general-purpose vehicles at $37 per vehicle per annum ($14,400) and for 32 armoured personnel carriers at $286 each per annum ($9,200).

16. *Helicopter operations: aviation fuel and lubricants*. Provision is based on an estimated total consumption of 75,000 litres of fuel at $0.26 per litre per month for two medium utility helicopters ($234,000).

17. *Fixed-wing aircraft: aviation fuel and lubricants*. Provision is based on an estimated total consumption of 85,000 litres of fuel at $0.26 per month ($265,200).

18. *Aircrew subsistence allowance*. Provision to cover accommodation outside Kuwait for the six-person aircrew of the AN-26 is based on the rate of $70 per person per night for 120 nights ($50,400).

19. *Landing fees and ground handling*. Provision is made for monthly ground handling charges for one fixed-wing aircraft as follows: 20 landings in Iraq at $409 per landing ($8,180); 10 landings in Kuwait at $150 per landing ($1,500); and 10 landings in Cyprus at $118 per landing ($1,180).

20. *Communications equipment*. Provision is made for the acquisition of additional communications equipment listed in section B of the present annex to incorporate the expansion of UNIKOM operational systems and to ensure provision of continued efficient service. The anticipated delivery of one satellite earth station will allow UNIKOM to connect Kheitan (via Brindisi and New York) to Umm Qasr headquarters. Although this will provide only a temporary solution for the data-transmission requirement between those two places, capacity cannot be expanded because of lack of transponder space in the Atlantic Ocean region satellite. In order to normalize the situation, an additional earth station is required to operate from Umm Qasr headquarters via the Indian Ocean region satellite. That will facilitate the implementation and improvement of electronic data-processing requirements. In the context of upgrading communications equipment to the digital type, provision is also made for the acquisition of four pieces of multiplex equipment (2 Timeplex and 2 MUX 30) and two pieces of microwave digital equipment. This will increase the efficiency of the system and facilitate maintenance, since spare parts are widely available in the commercial market. Provision is also made for the replacement of VHF equipment. The existing VHF systems consist of units previously belonging to the United Nations Transition Assistance Group and the United Nations Iran-Iraq Military Observer Group, which are not economical to repair and for which spare parts are no longer readily available. The digital systems, which are considered to be more advanced, are more effective and efficient, are easier to maintain and are now used in worldwide commercial telecommunications systems.

21. *Communications spare parts and supplies*. Provision is made for spare parts and supplies required for both United Nations-owned and contingent-owned communications equipment. The equipment includes replacement parts, batteries and miscellaneous supplies in both civilian and military patterns ($103,000).

22. *Communications workshop and test equipment*. The cost estimates provide for workshop and test equipment required to install and maintain mechanical, electrical and electronic equipment. Required items are three sets of toolboxes with tools, two digital transmission test sets and other miscellaneous workshop equipment ($38,000).

23. *Commercial communications*. Provision is made for facsimile and telex lines ($40,000); telephone rental and long-distance calls, pouch service, post office box rental and postage ($93,300), emergency commercial communications via INMARSAT at $400 per month ($4,800); and the UNIKOM share of the transponder lease for the Atlantic and Indian Ocean region satellites at a total of $126,000 per year ($264,100).

24. *Office furniture*. Provision is made for the replacement of office furniture for all locations within UNIKOM. As indicated in section B of the present annex, 106 items will be transferred to UNIKOM from existing stock ($22,500).

25. *Data-processing equipment*. Provision is made for the acquisition of one server and the replacement of obsolete units that are not able to run new applications. In addition, provision is made for yearly maintenance and payment of licensing fees for standard applications such as Sun Account, Progen Payroll, Reality System, Lotus Notes and Newsfeed. The United Nations is legally obligated to pay those charges in order to operate the finance and procurement software ($139,600).

26. *Observation equipment*. A systems contract for night-vision devices has recently been established. Provision is made for the acquisition of four night-vision devices based on the current standard (ITT Gen II Plus) at a unit cost of $3,500 ($14,000). Provision is also made for the acquisition of six global positioning systems at $800 per unit ($4,800) and six spotlight units at $450 per unit ($2,700).

27. *Accommodation equipment*. Provision is made for the replacement of various types of installed equipment such as exhaust fans, water heaters, deep-fat fryers, built-in stoves, grills and kitchen equipment ($40,000).

28. *Miscellaneous equipment*. Provision is made for refilling and maintenance of more than 590 units of various fire extinguishers ($20,000) and other tools ($3,000).

29. *Spare parts, repairs and maintenance*. Provision is made for the cost of spare parts for generators and air-conditioners ($145,000). Provision is also made for third-line maintenance ($57,700) and repairs of data-processing equipment ($9,100).

30. *Audit services*. Provision is made for the cost of external audit services ($93,200).

31. *Contractual services*. Provision is made for the cost of services such as laundry ($269,800), barber/tailoring/shoe repair ($66,100), grounds maintenance ($72,000), rodent and pest control, ($24,000), janitorial/custodial services ($168,000), garbage and refuse collection ($19,200) and maintenance of laundry and kitchen ($15,600).

32. *Miscellaneous other services*. Provision is made for legal fees, bank charges, loss on exchange and newspaper advertisements and cleaning of septic tanks, cleaning and restoration of water storage tanks and pest control in the patrol observation bases ($50,000).

33. *Uniform items, flags and decals*. Provision is made for the cost of United Nations accoutrements, medals and flags at $35 each for military personnel per six months ($76,800), uniforms for 39 Field Service officers ($3,900) and flags for official vehicles and ceremonial events ($31,300).

34. *Field defence stores*. Provision is made for the replacement of sandbags ($6,000) and damaged and stolen materials ($25,000) and the purchase of concertina wire ($15,000) and pickets ($10,000).

35. *Operational maps*. Provision is made for the acquisition of maps of the demilitarized zone and adjoining areas in line with operational requirements ($6,000).

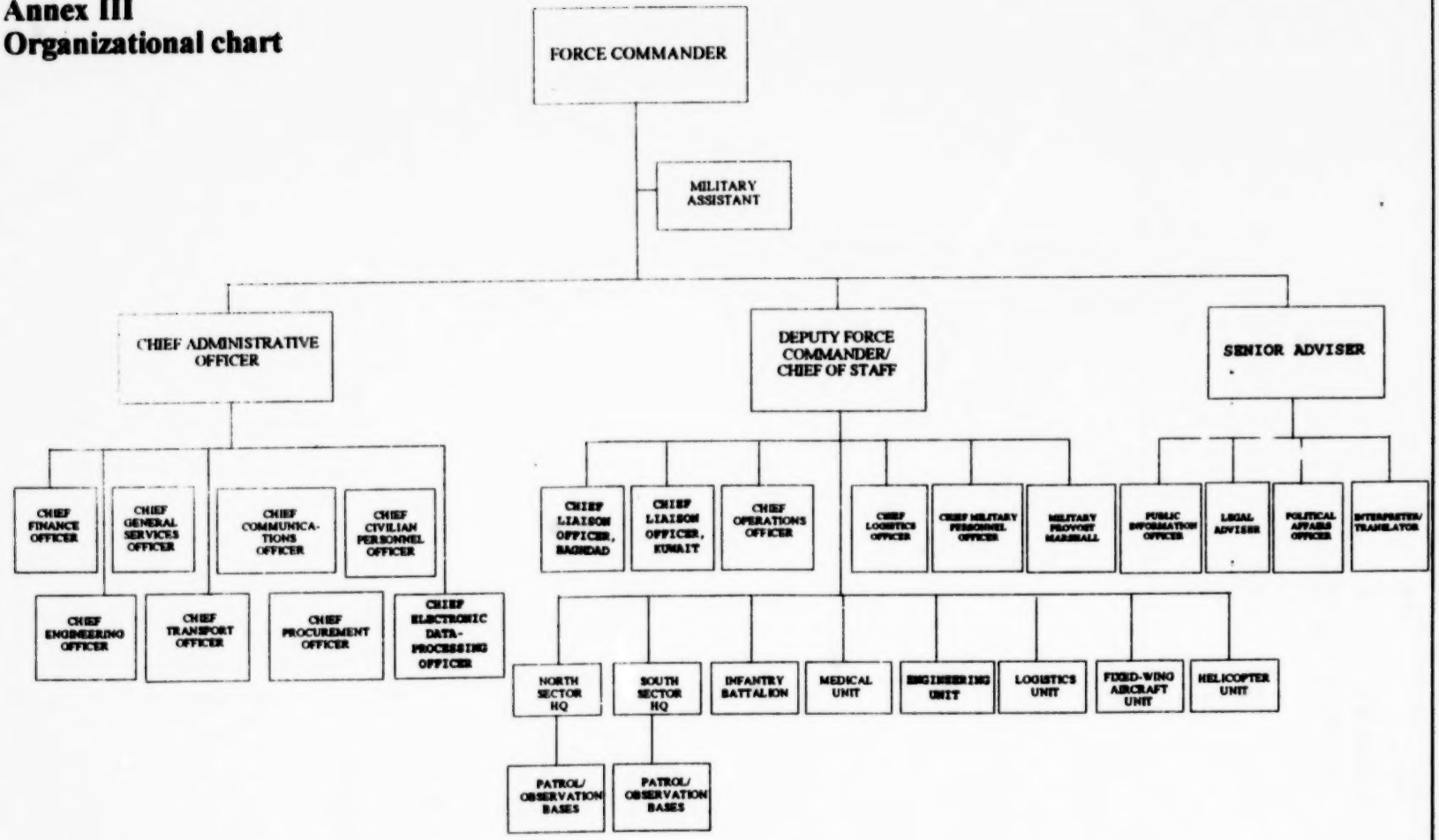
36. *Quartermaster and general stores*. Provision is made for quartermaster and general stores based on actual consumption: oxygen, acetylene and freon refills ($29,700), packing materials ($13,100), kitchen utensils and crockery ($2,500), bedding ($18,000) and general supplies including work gloves and battery ($6,200).

37. *Training programmes.* Provision is made for the training of mission staff officers in electronic data-processing ($10,000).

38. *Mine-clearing programme.* Provision is made for explosives and demolition accessories such as detonating cords, plastic explosives and electric blasting caps for mines and unexploded ordnance in support of UNIKOM operations ($10,000).

39. *Commercial freight and cartage.* Provision is made for freight costs for shipping and clearing charges in connection with official shipments in and out of Kuwait and for other items not included elsewhere in the cost estimates ($100,000).

Annex III
Organizational chart



Annex IV
Current and proposed staffing table

	Professional and above									*General Service and other*								
	USG	*ASG*	*D-2*	*D-1*	*P-5*	*P-4*	*P-3*	*P-2*	**Total**	*FS*	*Principal level*	*Other levels*	*SS*	**Total**	*Local staff*	*Contractual personnel*	*UNV*	**Grand total**
Office of the Force Commander																		
Current	—	1	—	1	—	4	1	—	7	—	—	3	—	3	10	—	—	20
Proposed	—	1	—	1	—	4	1	—	7	—	—	3	—	3	10	—	—	20
Office of the Chief Administrative Officer																		
Current	—	—	—	1	—	—	—	—	1	2	—	2	—	4	1	—	—	6
Proposed	—	—	—	1	—	—	—	—	1	2	—	2	—	4	1	—	—	6
Personnel Section																		
Current	—	—	—	—	1	—	—	—	1	—	1	2	—	3	3	—	—	7
Proposed	—	—	—	—	1	—	—	—	1	—	1	2	—	3	3	—	—	7
Finance Section																		
Current	—	—	—	—	1	—	—	—	1	2	1	3	—	6	10	—	—	17
Proposed	—	—	—	—	1	—	—	—	1	2	1	3	—	6	10	—	—	17
Procurement Section																		
Current	—	—	—	—	—	1	—	—	1	1	—	1	—	2	6	—	—	9
Proposed	—	—	—	—	—	1	1	—	2	1	—	1	—	2	6	—	—	10
General Services Section																		
Current	—	—	—	—	—	—	—	—	—	6	—	1	—	7	36	—	—	43
Proposed	—	—	—	—	—	—	—	—	—	6	—	1	—	7	32	—	—	39
Engineering Support Services Section																		
Current	—	—	—	—	—	1	—	—	1	4	—	1	—	5	44	—	—	50
Proposed	—	—	—	—	—	1	—	—	1	4	—	1	—	5	44	—	—	50
Communications Section																		
Current	—	—	—	—	—	—	1	—	1	12	—	3	—	15	19	—	—	35
Proposed	—	—	—	—	—	—	—	—	—	11	—	2	—	13	12	—	—	25
Electronic Data-Processing Section																		
Current	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Proposed	—	—	—	—	—	—	1	—	1	1	—	1	—	2	7	—	—	10
Transport Section																		
Current	—	—	—	—	—	—	—	—	—	12	—	1	—	13	41	—	—	54
Proposed	—	—	—	—	—	—	—	—	—	12	—	1	—	13	41	—	—	54
Total																		
Current	—	1	—	2	2	6	2	—	13	39	2	17	—	58	170	—	—	241
Proposed	—	1	—	2	2	6	3	—	14	39	2	17	—	58	166	—	—	238

Annex V
Justification for additional staffing requirements

1. Contracts Officer, P-3. UNIKOM currently has one Procurement Officer at the P-4 level. The addition of a Contracts Officer would ensure effective implementation of internal controls in the area of procurement management.

2. UNIKOM contracts for a variety of services and goods including, but not limited to, catering, life-support services, bottled water, aviation fuel and petrol, oil and lubricants. These contracts are for the support of approximately 1,300 military and civilian members of the Mission. The Contracts Officer will be responsible for writing up and administering the contracts/blanket purchase orders. Contracts vary in complexity from the very complex life-support and catering contracts to simple, one-time, minor construction contracts and rental of heavy construction equipment. Under the general supervision of the Chief Procurement Officer, the Contracts Officer represents the Mission's contractual activity.

3. In addition the Contracts Officer will be responsible for overseeing the sale of UNIKOM property after write-off action by the UNIKOM Property Survey Board, and will maintain liaison with senior military and civilian officers, mission requisitioners and contractors on a continual basis.

4. In order to fulfil those duties, the Contracts Officer will undertake the following tasks:

   (a) Initiating the contractual process by reviewing requisitions for contractual services and the availability of funds; conducting market surveys and identifying an adequate number of contractors; preparing tender documents and/or requests for proposal; and evaluating bids/offers and ensuring proper bidding procedures, including preparation of presentations for submission to the Local Committee and/or the Local Committee on Contracts;

   (b) Ensuring proper formalization of the contracting process;

   (c) Monitoring contract performance and ensuring necessary arrangements for payment;

   (d) Assisting the Chief Procurement Officer on administrative aspects of procurement, including supervising the Contracts Assistant.

Annex VI
Resources made available and operating costs for the period from 9 April 1991 to 30 June 1997

(United States dollars)

		Gross	*Net*
A.	**Summary of resources**		
1.	*Resources*		
	9 April to 8 October 1991		
	Appropriation (resolution 45/260)	**60 977 000**	**60 000 000**
	9 October 1991 to 8 April 1992		
	Appropriation (resolution 46/197)	**33 600 000**	**32 649 000**
	9 April to 31 October 1992		
	Appropriation (resolution 47/208 A)	**28 500 000**	**27 698 200**
	1 November 1992 to 31 October 1993		
	Appropriation (resolutions 47/208 A and B)	**59 800 000**	**57 682 000**
	1 November 1993 to 30 April 1994		
	Appropriation (resolution 48/242)	13 082 300	11 958 800
	Voluntary contribution in cash	23 917 700	23 917 700
	Subtotal	**37 000 000**	**35 876 500**
	1 May to 31 October 1994		
	Appropriation (resolution 49/245)	11 748 800	10 625 600
	Voluntary contribution in cash	21 251 200	21 251 200
	Subtotal	**33 000 000**	**31 876 800**
	1 November 1994 to 30 June 1995		
	Appropriation (resolution 49/245)	15 480 500	13 759 700
	Voluntary contribution in cash	27 519 500	27 519 500
	Subtotal	**43 000 000**	**41 279 200**
	1 July 1995 to 30 June 1996		
	Appropriation (resolution 50/234)	21 742 800	19 129 200
	Voluntary contribution in cash	38 257 200	38 257 200
	Subtotal	**60 000 000**	**57 386 400**
	1 July 1996 to 30 June 1997		
	Appropriation (resolution 50/234)	18 761 233	16 690 333
	Voluntary contribution in cash (resolution 50/234)	33 380 667	33 380 667
	Subtotal	**52 141 900**	**50 071 000**
	Total, line 1	**408 018 900**	**394 519 100**
2.	*Operating costs*		
	9 April to 8 October 1991		
	Expenditure	**55 091 223**	**54 531 505**
	9 October 1991 to 8 April 1992		
	Expenditure	29 153 827	28 523 047

		Gross	*Net*
	9 April to 31 October 1992		
	Expenditure	27 527 583	26 896 308
	1 November 1992 to 31 October 1993		
	Expenditure	39 800 000	37 991 100
	1 November 1993 to 31 October 1994		
	Expenditure	58 830 600	56 755 600
	1 November 1994 to 31 December 1995		
	Expenditure	67 296 300	65 072 400
	1 January to 30 June 1996		
	Expenditure	25 827 800	24 874 400
	1 July 1996 to 30 June 1997		
	Expenditure	52 141 900	50 071 000
	Total, line 2	**355 669 233**	**344 715 360**
3.	*Credits applied to Member States*		
	9 April to 31 October 1993	11 304 367	10 311 740
	1 November 1992 to 31 October 1993	20 000 000	19 774 800
	1 November 1993 to 31 October 1994	3 837 600	3 665 900
	1 November 1993 to 31 October 1994 (Kuwait)	7 331 800	7 331 800
	Total, line 3	**42 473 767**	**41 084 240**
4.	*Unencumbered balance* (1 less 2 and 3)	**9 875 900**	**8 719 500**
B.	**Cash position**		
1.	*Income*		
	Assessed contributions received	196 728 099	196 728 099
	Voluntary contributions in cash	144 326 267	144 326 267
	Total, line 1	**341 054 366**	**341 054 366**
2.	*Less: Total operating costs*		
	9 April to 8 October 1991	55 091 223	54 531 505
	9 October 1991 to 8 April 1992	29 153 827	28 523 047
	9 April to 31 October 1992	27 527 583	26 896 308
	1 November 1992 to 31 October 1993	39 800 000	37 991 100
	1 November 1993 to 31 October 1994	58 830 600	56 755 600
	1 November 1994 to 31 December 1995	67 296 300	65 072 400
	1 January to 30 June 1996	25 827 800	24 874 400
	1 January to 30 June 1997	52 141 900	50 071 000
	Total (item A, line 2)	**355 669 233**	**344 715 360**
3.	*Projected operating deficit* (1 less 2)	**(14 614 867)**	**(3 660 994)**

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